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CITY COMPETITION AND URBAN MARKETING: THE CASE OF TOURISM INDUSTRY IN ATHENS

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This paper is concerned with the development of urban tourism in the area of Greater Athens. Porter's "competitive advantage" theory presents the elements which determine the success of an industry in an interactive environment where competition acts as the engine of growth. The paper presents the basic aspects of the development of tourism in Greece and in the area of Athens together with the main weaknesses of the sector. This will be followed by suggestions on the directions the sector can seek for further improvement, exploiting the advantages generated by the 2004 Olympic Games. As a guide, the theoretical frames and examples of the policy applied in Barcelona will be used.

Keywords: *urban competition, tourism, urban marketing, Athens, Olympic Games*

INTRODUCTION: A THEORETICAL FRAMEWORK FOR URBAN COMPETITION

The changes in production and economic management as well as the liberalisation of investment potentials lead to a highly integrated global economy when at the same time cities have been transformed from sites of industrial production into points of services provision, such as finance and banking, health care, education, media and tourism. (Sassen, 1991; Coffey and Bailly, 1996; Winsted and Patterson, 1998; Harris, 2001). Urban marketing is increasingly practised to attract footloose international investment in order to generate economic activity (Clement, 1995; Hall, 1993), which can certify a competent position in the European urban system overlapping hierarchies (Petrakos and Oikonomou, 1999; CEC, 1992) and ensure the income and welfare of their population.

The study of the emerging competitiveness among urban centres is a relatively new field of research (Begg, 2002; Oatley, 1998; Jensen-Butler et al., 1997; Kresl, 1995). Porter (1990) does provide a conceptual

framework, which accepts the significance of cities' role as economic actors¹. As he suggests, the bases of advantage for an internationally successful industry are often intensely local. His "competitive advantage" theory is about the advantages and disadvantages enjoyed by a particular city, region or nation in relation to the others. The industry developed in this environment bears the advantages provided by the specific location. This theory embodies the view that competition is dynamic and evolving. He tries to explore not only the role of fixed investment (physical capital, human resources) but also the importance of improvement and innovation.

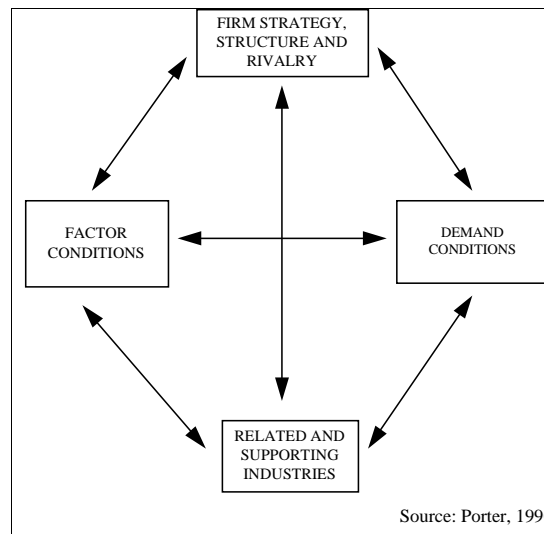
The base of Porter's theory is a system of determinants, which shapes the environment that promotes or impedes the creation of competitive advantage for an industry. This system is known as "Porter's diamond" (Figure 1) and is composed by four determinants (Porter, 1990):

- Factor conditions. The position of the city, region or nation in terms of production factors, such as skilled labour, natural resources, capital or infrastructure, necessary to compete in a given industry. For example, the ability of Swiss people to deal with different languages and cultures² is an advantage in services such as banking and trading.
- Demand conditions. The nature of the demand for the industry's products or services. Especially home demand gives a clear and early picture of market's needs. Moreover, it can sometimes be decisive in the development of a specific industry. The British are famous for their gardening skills, a fact that made Britain the world leader in garden tools.
- Related and supporting industries. The presence or absence in the specific location of supplier or related industries and elements that function in a supplementary to the product in question way. For instance, one of the factors that made the Italian gold and silver jewellery industry internationally successful is the world leadership of Italian jewellery-making machinery firms.
- Firm strategy, structure and rivalry. The environment of the specific location in which the industry is created, organised and managed and the nature of domestic rivalry.

Porter's Diamond shapes the framework of competitiveness for both manufacturing and service industries. The role of each one of the determinants in service competition depends on the form of international competition for the particular industry. The genesis of an industry is usually the result of an advantage in a single determinant. Later, after the process is started, competitors are attracted and other determinants play an important role. When the receiver is attracted to a specific location, factor conditions are usually important³. However, the single most

significant determinant, according to Porter (1990), is the demand conditions which are generating markets and they are driving the process of development or reformation of the industry.

Figure 1: Porter's Diamond



Using Porters' theory as a base, an investigation of the features and prospects of urban tourism in Athens is attempted. By examining the existence of the factors described in the theory, the basic characteristics of the mechanism forming the tourism product are described aiming at the recognition of the weaknesses of the model and at the quest for directions of how to formulate a competitive profile for the city. In this effort, a comparative quotation of examples of the policy followed in the case of Barcelona during the last decade is used, as the structural changes in the urban landscape that the infrastructure of the 2004 Olympic Games caused are considered to be of great significance.

URBAN TOURISM AS AN INDUSTRY. THE CONCEPT OF URBAN TOURISM AND THE ECONOMIC IMPACT

It was not before the 90s that both tourism researchers and urban studies specialists distinguished the field of "urban tourism" (Pearce, 2001; Page, 1995). According to Law (1994), tourism is not viewed by

many researchers as a distinctive attribute associated with the main function of the city but as a seasonal phenomenon without straight links to the urban economic structure. It is true that although large cities have always been important tourist destinations, it was only during the 1980s that many urban centres realised the great importance of tourism industry and tried to encourage the development of this sector. Although travel industry functions with many peculiarities, it seems that it follows the development practices of the post fordism industrial model (Ioannides and Debbage, 1997).

Being a form of industry, tourism retains the idea of trade with the objective of revenues. The products provided for tourists by a city shape what we call “urban experience”. According to Jansen-Verbeke (1990), this notion includes historic buildings, urban landscapes, museums and art galleries, theatres, sports and events. Among the tourist destinations, cities are multi-functional in nature attracting tourists with their genuine urban characteristics such as night-life, shopping and business. According to Pearce (1989), this is the reason why tourist market in urban areas is less homogeneous than, for instance in coastal or ski-resorts. Consequently, the provision of the necessary services and facilities together with the promotion of the specific destination are more complex. As tourism is an industry developing through competition, cities have to respond to the demand for comfort, reliability and quality in their tourism experience and at the same time advertise their abilities adequately.

In addition, the emergence of cultural exploitation as the main scheme for the development of urban tourism in Europe (Engelstoft and Jorgensen, 1997) is the alibi for the local authorities to promote projects which combine the allocation of cultural resources with physical and environmental renewal. For example, in many situations tourism is used as the rationale in order for historic areas in the inner-city to be preserved (Parlett et al., 1995) and also for the revitalisation of old ports (Gospodini, 2001); projects that enhance the quality of urban life for the inhabitants.

DEMAND CONDITIONS

Development and contemporary situation of Greek tourism industry

Europe is the most important world tourist destination accounting for the 58.8% of the world's total arrivals in 1997 and the 49.2% of the total revenues in the same year. (WTO⁴, 1998). Simultaneously, Europe is a

major market for tourism accounting for the 48.1% of the World's total departures in 1997. According to the WTO, Greece is internationally ranked 15th among the tourist destinations countries in 2002 as far as arrivals of foreign tourists are concerned. The major part (94.3%) originates from Europe and a 68.9% from the EU15. Recent data presented by EOT (2004) estimates the contribution of the sector to the GDP as 8%.

Until 1990 the process of tourism development in Greece was faster than in Europe and even in the rest of the world. However, during the decade of 1990-2000 it was observed that reduction in arrivals in Greece was bigger than the European and worldwide equivalent. Apparently, Greece is now a mature, in terms of the product life cycle, tourist destination which is however in danger of entering a decline period of unknown length unless an active reaction takes place. The main countries competing Greece in the section of tourism are Spain, Turkey, Cyprus, Portugal and Egypt (EOT, 2004).

Hotel capacity increased from 423,660 beds in 1990 to 593,990 in 2000. Still, most of the beds added, up to 2000, were of rank B and C⁵. In 1990 the three areas of Sterea (Mainland), Crete and Dodecanese, offered the 57% of the total hotel bed capacity. This number fell to 54% in 2000, a reduction exclusively caused by the depreciation of Athens/Attica as a tourist destination.

Development and decline of Athens tourism industry

Athens, the capital of Greece, lies in the south-east of Europe⁶. It has a key position with links to Europe, Asia, Africa and the Middle East, and it is in close proximity to the markets of the former Eastern European countries. During its ancient time it was the main Mediterranean trade centre. Nowadays, Athens is Greece's leading centre in terms of population, economy, education and culture. Athens is the only Greek urban centre frequently included in the research of "world cities" (Beaverstock *et. al.* 1999) and the only one able to form a distinctive international role (Oikonomou, 2001).

Table 1: Foreign tourists overnight stays in Athens as a percentage of the total number at national level

1971	1980	1990	1996	1998	1999	2000
45%	26%	13%	9.7%	9.3%	7.9%	7.0%

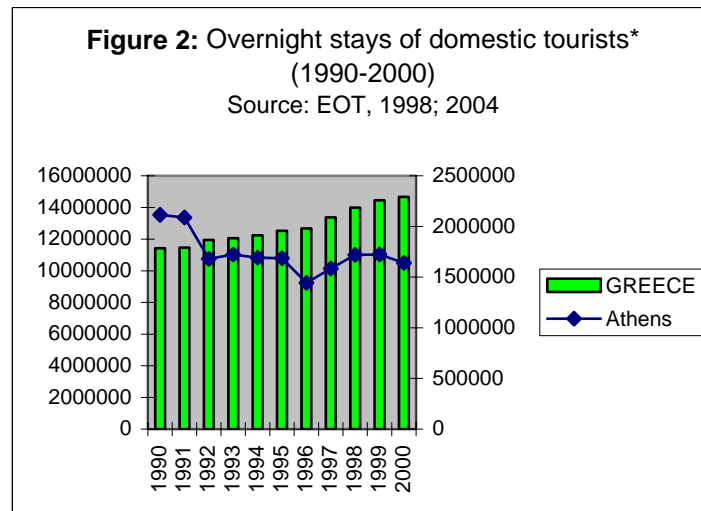
Source: EMP, 1998; EOT, 2004

The area of Athens was the main tourist destination in Greece between the 1920s and the beginning of the 1970s but in the mid-1970s the contribution of the area to the tourism sector started to decrease substantially. During the decade of the 1950s the arrivals at the Athens airport accounted for the 90% to 95% of the total air arrivals in the whole country. In 1971 the equivalent figure was 79%, in 1980 just 58% and 25% in 1999. During the same period and till the 1970s, the nights spent in the area represented more than the 50% of the total nights spent annually in Greece (EMP, 1998). The share of the nights spent (foreign tourists) in the area also decreased from 45% in 1971 to 26% in 1980, to 13% in 1990 and to a mere 7% in 2000 (Table 1).

The situation is the same in the case of the domestic tourism. Most of the prefectures in Greece have a positive development of their tourist sector. The only exceptions are some prefectures in the west of Greece, and the area of Athens. At national level, there is an increase of 28.4% in the tourist movements expressed in tourist nights spent in the period 1990-2000. For the area of Athens the number of nights spent by domestic tourists decreased 22.5% during the same period although domestic demand is still an important part of the market accounting for the 33.6% in 2000 (Figure 2) (EOT, 1998; 2004).

In absolute figures, the total nights spent in Attica region were 5,0 million in 1997 and declined to 4,7 million in 1999. The number can not be satisfactory in comparison with other Mediterranean cities (Barcelona 7,8 million, Madrid 7,1 m, Rome 11,9 m., Milan 5,3 m.) (Shaw and Williams, 2002). What can also increase is the average overnight stays which are 2.6 for Athens, 4.5 for Rome, 3.2 for Budapest and 3.8 for Greece as a whole (EMP, 1998). All things considered, it becomes obvious that the area of Athens has weakened in terms of its tourism value during the last decades.

Although Butler (1995), citing to a World Tourism Organisation report, notes that large cities have a less seasonal pattern of tourism than, for example, sea resorts do, the tourism industry of Athens suffers from extreme seasonality. In 2000 the peak time period for Athens was the 3rd quarter of the year (July-September) when 51% (Table 2) of the foreign visitors came to the city. On the other hand, only 6% of the visitors preferred traveling there in the period from January to March. The situation is slightly better than in 1991. Data of that year presented by Van den Berg (1995) illustrates the difference between the case of Athens and other European cities with a more balanced performance⁷.



* The left Y axis refers to the data concerning Greece and the right to the data concerning Athens.

The problem can be faced by the development of alternative types of tourism which have a more time spread tourist demand such as business tourism⁸ (Munro, 1995; Davidson, 1993), shopping tourism (Warnaby, 1998) or by attracting visitors using sport or art events (Witt, 1998; van Limburg, 1998; Bramwell, 1997). A critical factor for the success in alternative tourism sector is the supply of facilities and accommodation. It's a great chance for Athens to take advantage of the positive publicity developed by the 2004 Olympic Games⁹ promoting the image of a Mediterranean metropolitan centre and develop its convention market.

Table 2: Arrivals of foreign tourists (2000)

	January	February	March	April	May	June
Arrivals	198.866	185.832	343.613	730.914	1.465.495	1.815.611
%	1,52%	1,42%	2,62%	5,58%	11,19%	13,86%
quarterly %	6%			31%		
	July	August	September	October	November	December
Arrivals	2.439.300	2.339.988	1.923.825	1.067.110	323.217	261.774
%	18,63%	17,87%	14,69%	8,15%	2,47%	2,00%
quarterly %	51%			13%		

Source: EOT, 2004

As it has been reported by many authors (Williams and Shaw, 1998; Richards, 1995; Leontidou, 1993), there is a general change in tourist demand in Europe from sun and beach to cultural tourism. As Jencks points, (quoted in Leontidou, 1993) it reflects a “thirst for tradition in old cities”. In contrast to the general trends, Greece is still largely used as a sun and beach destination, rather than for cultural exploration (Leontidou, 1998; EOT, 1999).

FACTOR CONDITIONS. RELATED AND SUPPORTING INDUSTRIES

Heritage sites

Athens has much to offer visitors: from access to sandy beaches to near-constant sunshine but its great asset is the wonders of its past. It is rich in monuments and sites of its ancient civilisation which principally form the successful tourism product of the 1950s. The packaged heritage tourism introduced by Thomas Cook at the end of the 19th century, developed steadily throughout the 20th century and rapidly in recent years. The main reasons are the increase of the educational level and mainly the status which is attached to this type of tourism by individuals and society (Swarbrooke, 1995) as a type of postmodern consumption (Richards, 1996; 1995).

Athens has many heritage sites of great importance at international level¹⁰. It also has a number of museums with quite important ancient and Byzantine collections¹¹ which are important conveyors of culture and heritage. Although their direct impact is relatively small (Law, 1994), they create either an attraction for additional visitors or a reason for them to stay longer (Phelps, 1995) and can be an efficient marketing instrument for urban tourism (Jansen-Verbeke and van Rekom, 1996).

The question is if the presence of these sites is enough to sustain the function of the area as a tourist destination. The Acropolis had 1.2 million visitors in 1997 and the National Archaeological Museum 0.3 million (ESYE, 1998). In other words, half of the tourists in Athens visited the Acropolis and just a 25% visited the most well known museum of the city. It is often alleged that Athens does not have enough spots of attraction. This argument can be supported by a comparison of the above numbers with data concerning sites of interest in other European cities¹² (EMP, 1998). The problem in the case of Athens is that the management and marketing of the cultural sites seems to be inadequate and unable to

reach the potential visitors and revenue.

Supplementary elements

The supplementary to the tourist experience elements include transport, hotels, shopping facilities, restaurants, clubs, pubs and other forms of entertainment. All these are factors which cannot be the main attraction to visitors but they can determine the level of successfulness for a city as a tourist centre (Law, 1994). The availability and quality of these services can be decisive for a visitor in order to choose a specific city. In addition, these elements have a significant economic impact as their structure and function determine the expenditure and the forms of employment generated in the sector. According to Law (1994), in the UK, accommodation, eating and drinking, shopping and entertainment accounted for 83% of the total spending in 1991.

According to a research presented in EMP (1998), the services provided by the public transport in Athens used to be cheap but of low quality. On the contrary, the capacity of Athenian hotels was sufficient in terms of quantity¹³ and its quality has improved recently in order for the Olympic Games needs to be met. The average occupied rooms percentage was around 55% for the years 1996 to 1999, a quite low percentage which illustrates the importance of the problems faced by the sector (EOT, 2002).

Athens is quite famous for its nightlife and this can be used as an additional attraction to tourism. As Leontidou (1993) argues, it is only in Mediterranean Europe that we can find "cities that never sleep". New York, maybe, is an exception but it is lively only in few nightspots. Southern European urban areas are more busy and alive, sometimes until the small hours. This attitude is not only a result of the lifestyle of their population, but also of the mixed land use, which creates a "vivid urban collage".

STRATEGY AND STRUCTURE OF INDUSTRY DEVELOPMENT

Existing policy

Till 2004, the main public institution responsible for the development and promotion of tourism in Greece was an autonomous agency called EOT. Since then, the Ministry of Tourism has become responsible for tourism policy. On the whole, tourism policy, as a governmental aim

began to feature form only in the early 1960s. During the 1980s there was great concern about regional policy and an emphasis on underdeveloped regions. Further development in Greater Athens was discouraged as it was considered to be already congested (Leontidou, 1998). The related legislation¹⁴ treated tourism investments in the same manner, as manufacturing ones.

This policy changed in 1987 when the management of EOT's property and responsibilities gradually decentralised to the local authorities and the EU initiatives started to have some impact on national policy. The new programmes tended to promote more selective tourism trying to attract higher income visitors. However, national policy is still very weak and planning strategies remain at a relatively low level. Competitive disadvantages in marketing and planning cause an over-dependence on intermediaries for the promotion and distribution of the product (Buhalis, 2001; Leontidou, 1998).

As far as the area of Greater Athens is concerned, the development of tourism is mainly associated with programmes funded by the EU and projects related to the Olympic Games of 2004. The local authorities (municipal and regional level) lack the power to determine the development of the sector although some efforts took place and some responsibilities were taken up by them during the last decades¹⁵. There is also a large number of institutions and agents that influence the policies related to the sector¹⁶. On the whole, tourism administration in Athens (as well as at national level) has been highly diversified and fragmented and policy has tended to lack co-ordination among the institutions responsible (EMP, 1998).

The private sector enterprises lack managerial competence, aggressive marketing and co-ordination and in general, they are in inferior position in terms of capital and other resources compared to their European counterparts (Buhalis, 2001; EMP, 1998; Briassoulis, 1993). This fact will diminish their market share in the future as the free movement of businesses in EU is expected to create conditions of intense competition between Greek and foreign tourist enterprises.

Managing tourism industry

Governments, at both local and national level, can shape or influence the institutional structure surrounding an industry. Fainstein (quoted in Oatley, 1998) believes that the national political responses to both international and domestic changes determine the policies adopted by local authorities. Oatley (1998:6) adds: "The interaction between

government policies on urban and regional development and local government powers and resources and the socio-institutional milieu specific to particular places determines the differential potential for local pro-activity." However, Porter (1990) argues that the role of local governments is potentially as great or greater than the role of national governments. A point which seems to be the case for the European Union area where the economic integration creates a single economic space increasing the competition among European cities.

Evidence presented by Williams (1998) proves that tourism cannot be left to the action and decision making of individual capitals as they respond only to situations able to offer private profit and, consequently, they cannot guarantee the sustainable development of the industry. Local authorities are the key actors in the local tourist industry and their ability to control, coordinate and lead policy making can determine the management of the sector (Law, 1994). The private investment usually follows the development of major attractions and facilities publicly operating which can ensure the initial creation of a market. Private development and management has proved to be more efficient and flexible in terms of adjustment to changes in travel market needs and interests than centralised bureaucratic control. According to Sanchez (1992), this is the case with Barcelona where the public sector is dominant whilst the private sector appears to be dragged along by public initiatives.

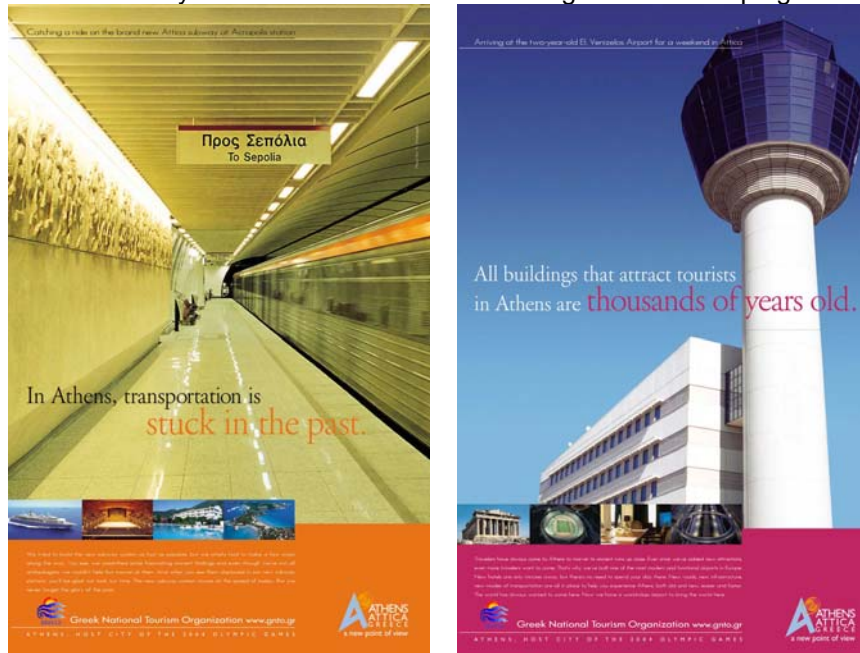
Komilis (1995) listed some of the criteria necessary for the sustainable development of the sector. He argues that the entire resource potential of the area should be identified and explored before making choices and designing policies. The informal sector can be of great significance for the development of tourism. The performance of both the formal and informal sector, their integration within the local economy and their capability to produce higher or lower multiplier effect should be critically explored. Regarding the negative economic implications of the development, the aim should be to minimise the social conflicts deriving from particularities of capital ownership¹⁷.

The development of an Olympic city

It is accepted that large-scale events such as the Olympic Games provide a vital stimulus for urban development (Carriere & Demaziere, 2002; Chalip, 2002; Shoval, 2002; Andranovich *et al*, 2001; Hiller, 2000; Essex & Chalkley, 1998; Bramwell, 1997; Sanchez, 1997) leading to a kind of "festivalisation of urban development policy" (Krantz & Schatzl,

1997). The main goals cited are the infrastructure development, the mobilisation of endogenous potential, the improvement of city's image and the identification of the inhabitants with their city. Through taking advantage of this process, the city can acquire the main components of attractiveness and competitiveness (Borja, 1996): quality of life, human resources, accessibility, telecommunications and information systems and the economic support infrastructures.

Figure 3: Improvement in transportation infrastructure is currently used by the Greek National Tourism Organisation campaign



In Barcelona, a Strategic Tourism Plan developed in order to increase the attraction of the city. The main aspects of this plan were: the transformation of the Municipal Tourism Foundation into a mixed Consortium for the tourist and commercial promotion of the city, the establishment of a hotel policy with guidelines and specific assistance for the sector, the development of a system capable of the reception of congresses and conventions supported by the construction of a new Convention Centre and the development of 14 large cultural facilities

(Borja, 1996). According to estimations made by the City of Barcelona Economic Department (CB, 1995), the marketing policy applied in the case of Barcelona resulted in a 79% increase in the number of the visitors over the period 1991-1995.

Following this guide, the development programmes connected with the tourism industry applied in the area of Greater Athens since the early 1990s, were mainly related to the Olympic Games of 2004. Their objectives were the improvement of city's infrastructure and environment along with the improvement of the services' provision for both the residents and the visitors.

As the transport has proved to be of critical importance for the success of the Olympic Games, the Greater Athens region has undergone a radical restructuring of its transportation infrastructure (Figure 3). The city has acquired a new Metro System, a 23,7 km long tram network and 40 km of Suburban Railway reaching the new international airport whose capacity vastly exceeds that of the old one. Of the same importance is the extended network (over 120 km) of motorways including Attiki Odos, a ring road, which will bring out structural changes in the lifestyle of the area by decreasing time and cost of transportation.

During the last two decades of the 20th century, Athens has experienced major traffic and environmental problems responsible for the negative publicity by the international press. The main goal of transportation projects is the reduction of the number of cars in the city centre by 250.000, which will prove to be a catalyst for the improvement of air quality.

Moreover, major urban gentrification projects developed in addition to environmental and aesthetic improvement interventions, especially in socially and culturally neglected areas. The target is similar to the policy followed in the case of Barcelona¹⁸, though achieved through a different mechanism. The development of the venues and the landscape transformation sites were scattered all over the city providing, at the same time, a net of public open spaces, enhancing social and cultural integration.

However, there is a great number of critically important projects concerning both everyday life and urban landscape transformation, which target at enhancing place identity and upgrading the tourist product.

The Athens Olympic Sports Complex (OAKA) situated in Maroussi was the centre of the Olympic Games (Figure 4). The site has been upgraded using innovative and creative ways, including the new roof structure for Olympic Stadium, the Wall of Nations (Figure 5) and the Agora steel arch which covers a walkway and exhibition space.

Figure 4: Olympic venues (Source: Athens2004.gr)

An extended archaeological park has developed by the unification and enhancement of major archaeological sites through a pedestrian walkway in the centre of Athens¹⁹. The project which concerned the ringing of the Acropolis, has transformed the historical centre into a pedestrian zone providing a major cultural pole. In addition, the open spaces of the area have undergone an extensive improvement intervention through a number of projects such as the restoration and reconstruction of main streets and plazas and the renovation of buildings, main tourist attractions and public facilities (Athens Museum, Metro Stations, parks etc).

The other important pole is the Faliron Coastal Zone. Since the beginning of the last century the area has been an important tourist resort. In the early 1970s the construction of a major coastal avenue resulted in the isolation of the coastal front and ended in an abandoned area. Taking the lesson from Barcelona is the main project targeting at the re-

establishment of the natural connection between the city and the sea providing an important competitive advantage for the tourism industry. The main unities include the Esplanade, a green 50 metre width zone passing over the avenues leading to the Faliro Water Plaza, an open theatre, a new marina, a Sports Pavilion as well as recreation and cultural areas. Not far from there, a park in the area of the old airport will be connected to the seaside Olympic venue of Agios Cosmas developing another important urban seaside pole. The plans of the post - Olympic use for both sites include several sports, cultural, leisure as well as commercial activities.

Figure 5: The Wall of Nations designed by S. Calatrava, Athens Olympic Sports Complex (Photo by the author)



Moreover, there is much of support given to private investment such as the quality upgrading of existing hotels together with the development and upgrading of special tourist facilities such as marinas and also private buildings facades in central areas. On the whole, a large amount of money was invested on built heritage renovation but mainly on innovative design projects upgrading the pure, fragmented design of Athens urban tissue (Beriatos & Gospodini, 2004).

Challenges: increasing city's competitiveness

Olympic games have the capacity to resignify Athens position as a destination, at least - as Chalip L. (2002) pointed - in the short term. The exploitation of the international attention created by the games needs effective strategies and tactics. The general principles of marketing can be applied to the promotion of a city. The services provision and promotion must be demand oriented and the effectiveness of marketing is increased by coordinated planning (Krantz and Schatzl, 1997). The identification of the market needs and the principles which determine a policy require systematic research often undertaken by local universities (Harris, 1993). Sanchez (1992) mentions three general distinct objectives, concerning the policy applied in order to increase the competitiveness of the city. The internal development of the urban place, the improvement of the links at regional level and the integration of the city in European and international nets. The first one mainly concerns the infrastructure development while one of the means to achieve the others is the efficient marketing of the city.

Nowadays, marketing is a comprehensive concept referring to strategic leadership, "it is a method of matching the demand for and supply of local authority provision with a particular goal" (Krantz and Schatzl, 1997:471). What is questioned is the ability of traditional marketing principles to manage the urban promotion needs. The case of Barcelona introduced a new way of marketing organisation. As Borja (1996) pointed, the marketing campaigns were sectorial and mixed. That is to say, they were based on the marketing of specific economic activities and sectors in which the city has a competitive advantage. In addition, the management was mixed, based on a broad and total collaboration between the public and the private sector. The active participation of private enterprises in the marketing effort, as a general rule, guarantees the efficient management of the always scarce resources.

It is interesting that comparing Athens' and Barcelona's development experience so far we can observe more differences than similarities²⁰. In a way similar to the Catalanian city, Athens acquired a net of open spaces possessing an important role in upgrading peripheral areas and encouraging social and cultural integration and moreover it managed to re-establish the connection between the city and the sea.

Unlike Barcelona, the projects were not mainly developed on brown fields or ex-industrial land and they were scattered all over the area of Attica. The role of architects and urban planners was significant (Figure 5) but not decisive²¹. Priority was given to the development of public

transport although a necessary ring road was constructed. The formation of the Olympic village as working-class housing for low-income families when the games were over was a socially successful project.

Garcia-Ramon (2000) believes that the "Barcelona model" worked under unique circumstances. Athens can be promoted, in a way similar to the one of Barcelona, but adjusted to the specific needs of the city. It is a Euro-zone national capital, influential over a geographical macro-region, socially balanced, with a modern standard of living and deeply rooted in the Mediterranean culture. It has certain comparative advantages in the European urban network and an inventive population, but as Leontidou (1997) argues, it is constrained by a kind of inertia.

The practice of the leading public sector determining the development initiatives is hardly adoptable by Athens. The continuity of the infrastructure development process is currently questionable. Main projects were publicly funded and the total budget for the Olympic Games of 2004 sums up to the amount of €6.2 billion²². The projects regarding the re-development of the seaside stopped after the Olympics. There are no specific initiatives concerning the development of the previous horse race course (0,2 Ha) and the re-development of the old Athens airport (5,3Ha) although there are existing studies on the latter (EMP, 1999; 2001) and the proposals of a recent architectural competition (Figure 6). The absence of a master plan concerning the post Olympic period carries serious threats concerning the exploitation of the very important and expensive athletic²³, cultural and amenity venues and sites. It is refuted how some of the purely athletic venues will be connected to the local life and even though their design is stimulating their touristic value is limited as they are currently out of the main track. Convention market is hardly probable to blossom shortly as the city is still lacking a major purpose-built convention centre²⁴.

Moreover, the challenge of confronting with the disbenefits of Barcelona process (Balibrea, 2001; Garcia-Ramon, 2000; Marshall, 2000) is a critical piece of policy. In Barcelona an economic recession followed the 1992 Olympic Games and peripheral population has seen its quality of life deteriorating since the 1980s. Over the years, environmental goals have become less visible. Massive speculation attended the restructuring of the city, the social fabric of small local business was deconstructed in favour of the big shopping malls proliferation, public spaces reoriented their function to restricted consumer locales and original neighbourhoods were dislocated. Athens experiences a pronounced impact on the residential market as Barcelona did one decade ago²⁵. As future development is supposed to become privately funded, social and

environmental goals will be less targeted. The shift of city economy towards consumption oriented development of culture and leisure would be likely to cause social inequalities bearing treats to the sustainability of the desirable tourism development model. All in all, the main undesirable characteristic of the “Barcelona model” is the elaborated by Marshall T. (2000:314) failure to effectively connect urban planning with strategic and economic development planning, along “with the virtual institutional impossibility of the city addressing the metropolitan-regional scale”.

Figure 6: The first prize of the “International Ideas Competition For The Hellenikon Metropolitan Park And Urban Development, Athens, Greece” acquired by DZO Architecture (Source: <http://www.degrezero.com>)



On the whole, both at national and regional level, what is needed is a holistic tourism management system, capable to implement a strategy through funds' allocation and monitoring, land use control and application of the public sector, private sector and mixed practices (Buhalis 2001). The public sector should play the role of the regulator, coordinator, infrastructure provider and promoter of the destination when the private sector ought to improve its managerial and labour force skills,

apply the appropriate marketing practices to attract specific target markets and introduce cooperation nets for synergies and economies of scale to be developed (Buhalis, 2001; Briassoulis, 1993; SETE, 2003).

CONCLUSIONS

In a rapidly integrated global economy, cities increasingly adopt the greatly significant role of economic growth generators as providers of the environment necessary for the development of tertiary activities. Tourism is one of the industries which have to function in an environment of interurban competition. Athens, is an important tourist destination in Europe. The area of Athens bears major advantages, able to shape the necessary environment for the tourism industry to be developed. Moreover, the city has a key position and numerous cultural sites of great importance at international level. In other words, it satisfies the factor condition, one of Porter's Diamond necessary determinants for the efficient development of cultural tourism.

Following Porter's theory, the cultural sites, being the main factor condition, seemed to be responsible for the genesis of tourism industry in Athens. In addition, the nature of the demand is in favour of the development of the sector in the area. Europe is the main world tourist destination and at the same time an important market for its own cities. Furthermore, Athens can be benefited by the general trend towards an increase in cultural tourist demand. The domestic demand which has an important share in Athens' market can ensure a base market as it is pointed by Porter.

Exploiting its advantages, the city was the main tourist destination in Greece for several years since the 1980s. During the last two decades the touristic value of the area has increasingly weakened, although it remains a major European destination. The reason becomes obvious by examining the presence of the two other Porter's determinants.

In terms of quality, the elements that the area of Athens used to provide covered nothing more than merely the acceptable requirements of how to support the tourist experience such as hotels, shopping facilities and transport services, not to mention the pure quality of physical and urban environment. Moreover, the absence of a well structured strategy and an efficient marketing of the sector, able to create the necessary environment as it is described by the Porter's diamond, has been a critical disadvantage. The weak national policy, the non-existence of policy initiatives at local level and the weaknesses of the private sector created a

low quality fragmented tourist administration in the area. Athens failed to develop a diversified tourism product, able to create the necessary conditions under which a highly competitive industry emerges.

The city exploiting the Olympic Games of 2004 has improved its infrastructure and it has upgraded its tourist product in terms of environmental quality and supplementary elements. However, the restructuring process of Athens tourism industry must be based on a holistic approach of city's marketing, taking into consideration tourism industry peculiarities in order for the city to exploit its competitive advantages. The story so far is not optimistic enough as there is no clear plan for the exploitation of the Olympic venues and other facilities developed and a particular policy for the development of business and cultural tourism which can be the main means against seasonality is absent. At the same time the disbenefits of urban transformation relating to social integration have to be confronted in order for sustainable tourism development to be achieved.

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ENDNOTES

¹ An alternative approach is the “Innovative Milieu”, provided by Coffey and Bailly (1996)

² There are German, French, and Italian speaking regions in Switzerland.

³ For instance, in the case of tourism, such factor conditions are climate and geography.

⁴ WTO: World Tourism Organisation

⁵ The recently valid classification for Greek hotels includes the ranks: AA, A, B, C, D, E, with E representing the lowest one.

⁶ The urban area of Greater Athens is 457 sq. Km. and it has a population of 3.073 million inhabitants. The broader Athens area, which constitutes Attica, is 3,808 sq. Km. In 2001 the total population of Attica was 3,756,607 representing 34% of the population of the country. Data by ESYE (National Statistical Service of Greece), 2001.

⁷ The most well balanced performance is the one by Milan with a fluctuation between 20% (January-March) and 30% (October-November).

⁸ According to the International Congress & Convention Association, Athens ranked 41st among the cities hosting international meetings in 1999. This position is quite low and proves its weakness to attract business tourism. This is mainly because of its relative lack of high standards conference facilities and international marketing (EMP, 1998).

⁹ In Barcelona 54 congresses in 160 days took place in the period 1992-1993. The fact that the construction of a new convention centre was not included in the Olympic programme has been regarded as a great failure by a senior officer of the city (Harris, 1993).

¹⁰ The most famous of them is the Acropolis hill, with the ruins of the Parthenon, the Temple of Athena Nike, the Erechtheion and the monumental gateway, the Propylea, all built in the 5th century BC. In a short distance lie the Dionysos Theatre, the Odeon of Herod Atticus, the Roman Forum, the Areios Pagos, the Agora (or market) with the Theseion, the Hadrian's Arch, the Temple of Olympian Zeus and Panathinaiko Stadium (Olympic Stadium), an all-marble stadium which was the site of the first modern Olympics in 1896. There are also several surviving late-Byzantine churches built between the 11th and 12th centuries AD. Below the northern slope of the Acropolis is the Plaka neighbourhood, the oldest quarter of Athens and a major tourist attraction.

¹¹ The most well known one is The National Archaeological Museum.

¹² For example in London, during 1996, 6 million tourists visited the British Museum, 5 million the National Gallery, 2.5 million the Tower of London and 2 million the Tate Gallery.

¹³ The number of the hotel spaces in the area of Athens was 30,117 in 2002.

¹⁴ Legislation Degrees (LD): 1262/1982, 1892/90, 2601/98

¹⁵ LD 2160/93

¹⁶ For example, the Ministry of the Environment influences tourism through land policy and building controls, the Ministry of Culture is responsible for the

maintenance of museums and monuments and the Ministry of Public Order controls the tourism police, and co-ordinates local services.

¹⁷ For example, when investment in the sector is made by non-locals, the enterprises increasingly use better trained foreigner labour force while the locals are employed in low paid jobs.

¹⁸ A number of different strategies developed in order for the Barcelona peripheral areas to be upgraded (restoration of squares, arcades, open spaces, introduction of cultural values and symbols in the landscape (Garcia-Ramon, 2000).

¹⁹ This effort began in 1976 with proposals by architects and urban planners and speeded up due to the Olympic Games.

²⁰ A similar comparison is presented by Beriatos & Gospondini (2004).

²¹ As Garcia - Ramon (2000) mentions in Barcelona the importance given to urban landscape and aesthetics may have become "a sort of obsession".

²² Out of this amount: (a) €3.67 billion are public expenses for the construction of infrastructure projects, important for the conduct of the Games. (b) €1.82 billion is the budget for the Organising Committee of the Olympic Games "Athens 2004 SA" that only regards the conduct and the accomplishment of the Games. (c) €350 million is the construction cost of the Olympic Village. This amount is included neither in public expenses nor in the "Athens 2004" budget given that the projects are self financed by the Workers Housing Organisation. The two budgets (public expenses and "Athens 2004") are separate. Many of the infrastructure projects were placed in the Third Community Supporting Fund. The total infrastructure amount was distributed as follows: €1.92 billion for infrastructure projects (athletic, roadworks and transportation projects), €1.75 billion for needed but not obligatory Olympic games projects.

²³ The revenue shortfalls of specialised infrastructure in the case of Sydney illustrated by Searle G. (2002).

²⁴ A major centre built in 2004 adjacent to the Athens Concert Hall.

²⁵ In Barcelona the Games cited as the main cause of a 250-300% increase in residential values over the period 1986-1993 (Plumb & McKay, 2001).

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